

Filed for intro on 01/28/2002  
SENATE BILL 2407 By  
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HOUSE BILL 2365  
By DeBerry L

AN ACT to amend Tennessee Code Annotated, Title 68, relative to  
claims data discharge reports by ambulatory surgical  
treatment centers.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 68, Chapter 1, Part 1, is amended by  
adding a new section to be numbered appropriately which shall read as follows:

Section 68-1-119.

(a) Each licensed ambulatory surgical treatment center (ASTC) shall report all  
claims data found on the appropriate form on every discharge to the commissioner of  
health. ASTCs shall submit the data through third party entities approved by the  
department of health for the purpose of editing the data according to rules and  
regulations established by the commissioner. The ASTCs shall be responsible for the  
costs associated with processing of the data by the approved vendors. An ASTC shall  
report the claims data at least quarterly to the commissioner. After receiving the claims  
data, the commissioner or the commissioner's designee shall promptly make such data  
available for review and copying by the Tennessee Hospital Association (THA). No  
information shall be made available to the public by either the commissioner or the THA

that reasonably could be expected to reveal the identity of any patient. The claims data reported to the commissioner under this section are confidential and not available to the public until the commissioner processes and verifies such data. The commissioner shall prescribe conditions under which the processed and verified data are available to the public.

(b) Effective January 1, 2004, a licensed ASTC shall pay to the commissioner a civil penalty of five cents (5¢) for each day the claims data discharge report is delinquent. A claims data report is delinquent if the commissioner does not receive it before sixty (60) days after the end of the quarter. If the commissioner receives the report in incomplete form, the commissioner shall notify the ASTC and provide fifteen (15) additional days to correct the error. The notice shall provide the ASTC an additional fifteen (15) days to complete the form and return it to the commissioner prior to the imposition of any civil penalty. The maximum civil penalty for a delinquent report is ten dollars (\$10.00) for each discharge record. The commissioner shall issue an assessment of the civil penalty to the ASTC. The ASTC has a right to an informal conference with the commissioner if the ASTC requests such conference within thirty (30) days of receipt of the assessment. After the informal conference or, if no conference is requested, after the time for requesting the informal conference has expired, the commissioner may proceed to collect the penalty by setting the penalty off against funds owed to the ASTC or by instituting litigation.

(c) In its request for an informal conference, the ASTC may request the commissioner to waive the penalty. The commissioner may waive the penalty in cases of an act of God or other acts beyond the control of the ASTC. Waiver of the penalty is in the sole discretion of the commissioner. None of these proceedings are subject to the Uniform Administrative Procedures Act, compiled in Title 4, Chapter 5.

(d) No person or entity, including the THA, may be held liable in any civil action with respect to any report or disclosure of information made under this section unless such person or entity has knowledge of any falsity of the information reported or disclosed.

(e) The provisions of this section shall not affect or replace any other reporting responsibility placed upon ASTCs. The report filed pursuant to this section shall not be required for discharges reported by ASTCs under Section 68-3-505.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it, except that no ASTC shall be liable for the penalties set forth in subsection (b) of Section 1 for any reports due on or before January 1, 2004.